

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	Chapter 11
	§	
JUNIPER SPECIALTY PRODUCTS LLC,	§	CASE NO. 20-33109 (MI)
	§	
SGCE LLC	§	(Jointly Administered)
	§	
Debtors	§	

**APACHE INDUSTRIAL SERVICES, INC.’S LIMITED OBJECTION AND
RESERVATION OF RIGHTS TO THE EMERGENCY MOTION FOR ORDERS: (I)
APPROVING BIDDING PROCEDURES IN CONNECTION WITH SALE OF
SUBSTANTIALLY ALL OF THE DEBTORS’ ASSETS; (B) APPROVING FORM AND
MANNER OF AUCTION AND SALE NOTICE; (C) APPROVING FORM AND
MANNER OF NOTICE OF ASSUMPTION AND ASSIGNMENT OF EXECUTORY
CONTRACTS AND UNEXPIRED LEASES; AND (D) SCHEDULING HEARING ON
APPROVAL OF SALE OF SUBSTANTIALLY ALL OF THE DEBTORS’ ASSETS; AND
(II) (A) APPROVING THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS’
ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES AND
OTHER INTERESTS; AND (B) APPROVING THE DEBTORS’ ASSUMPTION AND
ASSIGNMENT OF CONTRACTS AND LEASES IN CONNECTION THEREWITH**
[RELATED TO DOC. 13]

TO THIS HONORABLE COURT:

COMES NOW, APACHE INDUSTRIAL SERVICES, INC. (“Apache”), a creditor and party in interest, and files this Limited Objection and Reservation of Rights to the Emergency Motion for Orders: (I) Approving Bidding Procedures in Connection with Sale of Substantially All of The Debtors’ Assets; (B) Approving Form and Manner of Auction and Sale Notice; (C) Approving Form and Manner of Notice of Assumption and Assignment of Executory Contracts and Unexpired Leases; and (D) Scheduling Hearing on Approval of Sale of Substantially all of the Debtors’ Assets; and (II) (A) Approving the Sale of Substantially all of the Debtors’ Assets Free and Clear of All Liens, Claims, Encumbrances and Other Interests; and (B) Approving the Debtors’ Assumption and Assignment of Contracts and Leases in Connection Therewith (Docket

No. 13) (the “Motion”) and in support thereof would show as follows:

LIMITED OBJECTION

1. Apache is a perfected construction lienholder¹ and is the owner of certain removable equipment and construction materials located at the Plant, namely scaffolding and related equipment. Apache is owed approximately \$4,162,804 on its construction lien claim. In the Motion, the Debtors state that they seek to sell, among other things, “certain construction materials.” It is axiomatic that the debtor cannot sell what it does not own, and to the extent the Motion seeks to sell Apache’s equipment and construction materials, Apache objects to the Motion, and requests that all Apache’s equipment and construction materials are excluded from the sale.

2. Next, the Debtors’ proposed schedule does not appear to be sufficient to allow interested parties to conduct necessary due diligence, identify by what means the Debtors will market the assets for an expedited sale, and why emergency consideration of the Motion is required. Further, considering the current restrictions on potential interested parties’ ability to travel, an overly rushed process will not likely benefit all the stakeholders in these cases.

3. Finally, the Motion seeks to sell the assets free and clear of all liens and claims pursuant to 11 U.S.C. §363(f). However, the Motion entirely fails to describe what liens exist, the amounts of the liens, and whether the (expected) sales price will be in excess of the lien claims. For avoidance of doubt, Apache does not consent to the sale free and clear of its construction lien.

RESERVATION OF RIGHTS

4. Apache reserves the right to revise, amend, or supplement this Objection at any

¹ The term construction lien is intended to encompass all mechanic’s, contractors, or materialman’s liens arising under or pursuant to Louisiana law.

time, including filing any further objection to the ultimate sale of the property.

WHEREFORE, Apache respectfully request that the Court sustain the Objection and enter an order denying the proposed bid procedures.

Respectfully submitted

ANDREWS MYERS P.C.

/s/ T. Josh Judd

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CERTIFICATE OF SERVICE

I hereby certify that on June 25, 2020, a true and correct copy of the foregoing Response was served via the Court's ECF notification system to the parties listed below at the email addresses listed.

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/s/ T. Josh Judd

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